

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
7500 Security Boulevard, Mail Stop S2-26-12
Baltimore, Maryland 21244-1850



Center for Medicaid and State Operations

FEB 3 2003

Kathleen Shure
Director
Office of Managed Care
New York State Department of Health
Empire State Plaza
Corning Tower
Albany, NY 12237

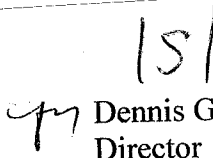
Dear Ms. Shure:

The Centers for Medicare & Medicaid Services (CMS) is responding to your request for modifications to the Special Terms and Conditions (STCs) governing New York's section 1115 Medicaid demonstration, known as The Partnership Plan (Project No. 11-W-00114/2). On October 25, 2002, you requested additional changes to the STCs in your conditional acceptance of the three-year extension granted by CMS. On October 15, 2002, you submitted to CMS a proposal for a year four and five hospital allocation formula under the Community Health Care Conversion Demonstration Project (CHCCDP).

We are approving both requests and have enclosed revised STCs to reflect the conversations amongst CMS and State staff. We anticipate your acceptance of these revised STCs within 30 days from the date of this letter.

We look forward to continuing to work with you during the course of the project. If you have any further questions, please contact Richard Fenton at 410-786-5647.

Sincerely,


Dennis G. Smith
Director

Enclosure

cc: Sue Kelly, Region II